# PROPERTY FORECLOSURES IN MARYLAND FIRST QUARTER 2013



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# PROPERTY FORECLOSURE EVENTS IN MARYLAND FIRST QUARTER 2013

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# PROPERTY FORECLOSURE EVENTS IN MARYLAND FIRST QUARTER 2013

#### **EXECUTIVE SUMMARY**

First quarter 2013 data from RealtyTrac show that, property foreclosure filings (or events) in the U.S., including notices of default, notices of foreclosure sales and lender purchases of foreclosed properties, declined by 12.2 percent from 503,462 in the fourth quarter of 2012 and were down by 22.8 percent below last year (Exhibit 1). The U.S. foreclosure rate, defined as the number of foreclosures per 10,000 households, fell 38.2 in the previous quarter to 33.7 in the current quarter. First quarter data show that foreclosure activity decreased in 75.0 percent of non-judicial states compared with 61.0% in judicial states from the fourth quarter.

Foreclosures in Maryland increased by 46.4 percent to 9,339 events in the first quarter, continuing their upward trend that started in the fourth quarter of 2011 (Exhibits 1 and 2). Maryland foreclosures increased in the first quarter by 123.4 percent over last year, posting the third consecutive quarter of year-over-year increases. Foreclosure activity slowed in late 2010 and 2011 due to legislations introduced statewide to help homeowners stay in their homes coupled with robo-signing and other improprieties that resulted in a backlog of delinquent loans. The quarterly increase is a signal that lenders are finally addressing the inevitable and clearing their backlog of seriously delinquent loans.

Contributing to the growth in foreclosures was a 73.6 percent rise in the notices of default which increased significantly to 5,021 events. On a year-over-year basis, notices of default increased for the third consecutive quarter posting a 192.6 percent annual growth, the highest annual increase since the first quarter of 2008. Also adding to the growth in foreclosures was a 10.1 percent increase in foreclosure sales. Foreclosure sales, increased to 2,768 notices, the highest quarterly volume since the third quarter of 2010. Foreclosure sales increased 73.8 percent above last year, posting the 5<sup>th</sup> consecutive quarter of year-over-year increases. Finally, the number of lender purchases grew by 36.0 percent in the first quarter to 1,474 properties. Lender purchases also grew by 34.6 percent over last year, recording the highest annual growth rate since the second quarter of 2010.

Maryland's first quarter foreclosure rate increased from 26.8 foreclosures per 10,000 households in the fourth quarter to 39.4. As a result, the State's foreclosure rate in the first quarter was 16.8 percent above the national average rate of 33.7. The State's national ranking in foreclosure rate declined from the 31<sup>st</sup> lowest in the fourth quarter to the 43<sup>rd</sup> lowest in the first quarter.

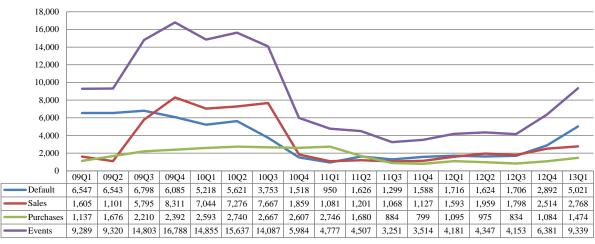
EXHIBIT 1. FORECLOSURES IN MARYLAND AND U.S. FIRST QUARTER 2013

				Properties with				
Indicator	Notices of Default	Notices of Sales	Lender Purchases	Foreclosure Filings*				
Maryland								
Number of Events	5,021	2,768	1,474	9,339				
Change (Last Quarter)	73.6%	10.1%	36.0%	46.4%				
Change (Last Year)	192.6%	73.8%	34.6%	123.4%				
	ì	U.S.						
Number of Events	138,935	179,622	139,088	442,117				
Change (Last Quarter)	-9.9%	-14.4%	-16.0%	-12.2%				
Change (Last Year)	-23.6%	-28.0%	-25.0%	-22.8%				

<sup>\*</sup> The sum of the three stages of foreclosure may exceed the number of properties. The last column in this table represent the number of unique property foreclosures, hence multiple counting of the events has been eliminated.

Source: RealtyTrac

EXHIBIT 2. FORECLOSURE ACTIVITY IN MARYLAND 2009 Q1-2013 Q1



## PROPERTY FORECLOSURE EVENTS IN MARYLAND FIRST QUARTER 2013

#### Introduction

First quarter 2013 data from RealtyTrac show that, property foreclosure filings (or events) in the U.S., including notices of default, notices of foreclosure sales and lender purchases of foreclosed properties, declined by 12.2 percent from 503,462 in the fourth quarter of 2012 and were down by 22.8 percent below last year (Exhibit 1). The U.S. foreclosure rate, defined as the number of foreclosures per 10,000 households, fell 38.2 in the previous quarter to 33.7 in the current quarter. First quarter data show that foreclosure activity decreased in 75.0 percent of non-judicial states compared with 61.0% in judicial states from the fourth quarter.

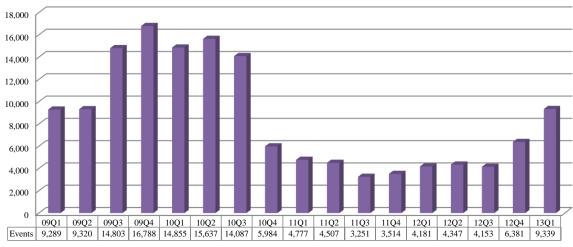
RealtyTrac reported the total number of filings in each stage of foreclosure. As a result, the sum of the three stages of foreclosure may exceed the total number of properties. However, to eliminate multiple counting of foreclosure events, total number of foreclosures in this report represents the number of unique properties only.

Foreclosures in Maryland increased by 46.4 percent to 9,339 events in the first quarter, continuing their upward trend that started in the fourth quarter of 2011 (Chart 1). Maryland foreclosures increased in the first quarter by 123.4 percent over last year, posting the third consecutive quarter of year-over-year increases. Foreclosure activity slowed in late 2010 and 2011 due to legislations introduced statewide to help homeowners stay in their homes coupled with robo-signing and other improprieties that resulted in a backlog of delinquent loans. The quarterly increase is a signal that lenders are finally addressing the inevitable and clearing their backlog of seriously delinquent loans.

Contributing to the growth in foreclosures was a 73.6 percent rise in the notices of default which increased significantly to 5,021 events. On a year-over-year basis, notices of default increased for the third consecutive quarter posting a 192.6 percent annual growth, the highest annual increase since the first quarter of 2008. Also adding to the growth in foreclosures was a 10.1 percent increase in foreclosure sales. Foreclosure sales, increased to 2,768 notices, the highest quarterly volume since the third quarter of 2010. Foreclosure sales increased 73.8 percent above last year, posting the 5<sup>th</sup> consecutive quarter of year-over-year increases. Finally, the number of lender purchases grew by 36.0 percent in the first quarter to 1,474 properties. Lender purchases also grew by 34.6 percent over last year, recording the highest annual growth rate since the second quarter of 2010.

Maryland's first quarter foreclosure rate increased from 26.8 foreclosures per 10,000 households in the fourth quarter to 39.4. As a result, the State's foreclosure rate in the first quarter was 16.8 percent above the national average rate of 33.7. The State's national ranking in foreclosure rate declined from the 31<sup>st</sup> lowest in the fourth quarter to the 43<sup>rd</sup> lowest in the first quarter (Chart 2).

CHART 1
TOTAL FORECLOSURE ACTIVITY IN MARYLAND



Source: RealtyTrac

CHART 2
FORECLOSURE RATES IN THE REGION: 1<sup>ST</sup> QUARTER 2013
NUMBER OF FORECLOSURES PER 10,000 HOUSEHOLDS

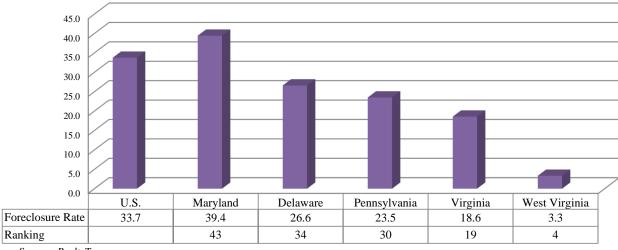
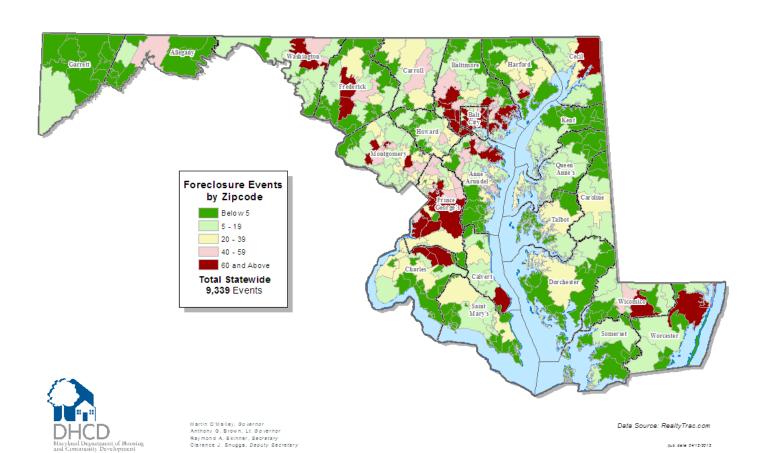


Table 1 shows the distribution of the first quarter foreclosure events in Maryland. Baltimore City with 1,711 foreclosures had the largest share of foreclosures statewide, accounting for 18.3 percent of the total. Foreclosure activity in the City grew by 77.2 percent above the previous quarter and was up 179.2 percent over last year. Prince George's County with 1,422 foreclosures, or 15.2 percent of the total, had the second highest number of foreclosures in Maryland. Foreclosures in this county fell slightly by 1.1 percent below the previous quarter but were up 25.9 percent above last year. Baltimore County with 1,412 filings had the third largest number of foreclosures, accounting for 15.1 percent of the total. The County's foreclosures grew by 81.9 percent above the previous quarter and were up 198.2 percent over last year. Other counties with large reported foreclosure events include Montgomery (975 foreclosures or 10.4 percent of the total), Anne Arundel (683 foreclosures or 7.3 percent), Charles (390 foreclosures or 4.2 percent), Frederick (336 foreclosures or 3.6 percent) and Harford (323 foreclosures or 3.5 percent). These eight jurisdictions represented 77.7 percent of all foreclosures statewide.

TABLE 1. PROPERTY FORECLOSURE EVENTS IN MARYLAND JURISDICTIONS FIRST QUARTER 2013								
	Notices Notices Lender Total*							
	of	of	Purchases		County	% Chan	ge from	
Jurisdiction	Default	Sales	(REO)	Number	Share	2012 Q4	2012 Q1	
Allegany	35	10	17	62	0.7%	124.9%	202.5%	
Anne Arundel	429	178	73	683	7.3%	41.5%	161.9%	
Baltimore	875	318	174	1,412	15.1%	81.9%	198.2%	
Baltimore City	1,026	358	305	1,711	18.3%	77.2%	179.2%	
Calvert	89	44	22	156	1.7%	35.1%	96.4%	
Caroline	45	31	5	77	0.8%	33.5%	369.4%	
Carroll	117	61	26	198	2.1%	50.5%	196.0%	
Cecil	111	42	12	162	1.7%	45.9%	-8.5%	
Charles	226	98	61	390	4.2%	42.5%	141.6%	
Dorchester	40	7	11	64	0.7%	0.3%	226.6%	
Frederick	195	90	60	336	3.6%	40.7%	97.7%	
Garrett	19	5	1	24	0.3%	22.6%	220.2%	
Harford	181	96	54	323	3.5%	33.0%	82.4%	
Howard	164	99	29	297	3.2%	59.1%	176.3%	
Kent	14	9	6	29	0.3%	23.4%	193.1%	
Montgomery	503	303	152	975	10.4%	46.7%	148.2%	
Prince George's	391	708	321	1,422	15.2%	-1.1%	25.9%	
Queen Anne's	69	28	11	107	1.1%	82.5%	157.6%	
Somerset	24	14	5	43	0.5%	41.2%	267.4%	
St. Mary's	61	42	19	130	1.4%	39.2%	128.2%	
Talbot	23	19	12	53	0.6%	47.9%	255.0%	
Washington	187	79	40	296	3.2%	116.2%	157.3%	
Wicomico	88	82	30	205	2.2%	65.8%	523.4%	
Worcester	109	46	29	184	2.0%	120.7%	637.1%	
Maryland	5,021	2,768	1,474	9,339	100.0%	46.4%	123.4%	

\*The sum of the three stages of foreclosure may exceed the total. Total number of foreclosures represents unique properties. Source: RealtyTrac

MAP 1: DISTRIBUTION OF PROPERTY FORECLOSURE EVENTS IN MARYLAND FIRST QUARTER 2013



#### NOTICES OF MORTGAGE LOAN DEFAULT

Notices of default grew by 73.6 percent to 5,021 filings, posting the highest quarterly volume since the second quarter of 2010 (Chart 5). On a year-over-year basis, notices of default increased for the third consecutive quarter recording a 192.6 percent annual growth, the highest annual increase since the first quarter of 2008.

Baltimore City accounted for the largest share of defaults – 20.4 percent of all filings statewide or 1,026 notices (Table 3). The City's default notices increased by 156.1 percent over the previous quarter and were up significantly by 594.2 percent above last year. Baltimore County with 875 default notices (17.4 percent of the total) had the second highest number of defaults in Maryland. The County's loan defaults increased by 162.0 percent above the previous quarter and were up 581.5 percent over last year. Montgomery County with 503 default notices, or 10.0 percent of the total, had the third highest number of notices. The County's default notices grew by 48.7 percent over the previous quarter and were up 152.2 percent above last year. Anne Arundel County with 429 default notices, or 8.5 percent of the total, had the fourth highest number of notices. Prince George's County with 391 default notices, or 7.8 percent of the total, had the fifth highest number of notices, followed by Charles County with 226 defaults or 4.5 percent of the total, Frederick County with 195 notices (3.9 percent), Washington County with 187 notices (3.7 percent), and Harford County with 181 defaults or 3.6 percent. Together, these nine jurisdictions represented 79.9 percent of all default notices issued statewide.

CHART 5
NOTICES OF MORTGAGE LOAN DEFAULT ISSUED IN MARYLAND

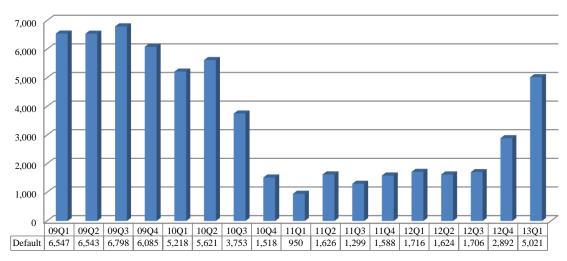


TABLE 3
NOTICES OF MORTGAGE LOAN DEFAULT
ISSUED IN MARYLAND: FIRST QUARTER 2013

	2013 Q1		% Change from		
		% of			
Jurisdiction	Number	Total	2012 Q4	2012 Q1	
Allegany	35	0.7%	255.8%	230.7%	
Anne Arundel	429	8.5%	112.4%	487.4%	
Baltimore	875	17.4%	162.0%	581.5%	
Baltimore City	1,026	20.4%	156.1%	594.2%	
Calvert	89	1.8%	53.3%	169.0%	
Caroline	45	0.9%	31.1%	487.1%	
Carroll	117	2.3%	61.4%	172.8%	
Cecil	111	2.2%	94.7%	753.8%	
Charles	226	4.5%	71.8%	190.8%	
Dorchester	40	0.8%	56.4%	389.8%	
Frederick	195	3.9%	73.7%	87.8%	
Garrett	19	0.4%	33.5%	459.3%	
Harford	181	3.6%	59.5%	129.4%	
Howard	164	3.3%	67.3%	200.4%	
Kent	14	0.3%	82.9%	139.4%	
Montgomery	503	10.0%	48.7%	152.2%	
Prince George's	391	7.8%	-36.7%	-27.9%	
Queen Anne's	69	1.4%	148.3%	105.0%	
Somerset	24	0.5%	74.3%	254.1%	
St. Mary's	61	1.2%	41.5%	181.9%	
Talbot	23	0.5%	29.2%	232.1%	
Washington	187	3.7%	202.4%	113.8%	
Wicomico	88	1.7%	31.6%	519.5%	
Worcester	109	2.2%	228.5%	638.3%	
Maryland	5,021	100.0%	73.6%	192.6%	

#### NOTICES OF FORECLOSURE SALES

Foreclosure sales rose by 10.1 percent to 2,768 in the first quarter, posting the highest quarterly volume since the third quarter of 2010 (Chart 6). Foreclosure sales increased 73.8 percent above last year, recording the 5<sup>th</sup> consecutive quarter of year-over-year increases.

Foreclosure sales increased by 19.2 percent in Prince George's County to 708 notices and were up 89.6 percent above last year. Foreclosure sales in that county accounted for 25.6 percent of all foreclosure sales statewide, the largest share among the State's twenty-four jurisdictions (Table 4). Baltimore City with 358 notices, or 12.9 percent of the total, had the second highest number of foreclosure sales in Maryland. The City's foreclosure sales declined by 5.1 percent below the previous quarter but were up 2.7 percent over last year. Baltimore County with 318 notices, or 11.5 percent of the total, had the third highest number of foreclosure sales. Notices of sales in that county fell modestly by 0.5 percent below the previous quarter but were up 32.6 percent above last year. Montgomery County with 303 notices, or 11.0 percent of the total, had the fourth highest number of foreclosure sales. Notices of sales in that county grew by 12.4 percent over the previous quarter and were up 80.5 percent above last year. Anne Arundel County with 178 notices (6.4 percent), Howard County with 99 notices (3.6 percent), Charles County with 98 notices (3.5 percent), Harford County with 96 notices (3.5 percent) and Frederick County with 90 notices (3.3 percent) represented other jurisdictions with highly elevated numbers. Together, these nine jurisdictions accounted for 81.2 percent of all notices of sales issued statewide.

CHART 6
NOTICES OF FORECLOSURE SALES ISSUED IN MARYLAND

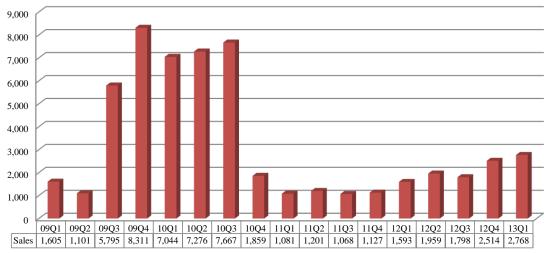


TABLE 4
NOTICES OF FORECLOSURE SALES
ISSUED IN MARYLAND: FIRST QUARTER 2013

	2013 Q1		% Change from		
Jurisdiction	Number	% of Total	2012 Q4	2012 Q1	
Allegany	10	0.4%	-3.6%	412.5%	
Anne Arundel	178	6.4%	-16.4%	41.3%	
Baltimore	318	11.5%	-0.5%	32.6%	
Baltimore City	358	12.9%	-5.1%	2.7%	
Calvert	44	1.6%	5.0%	32.0%	
Caroline	31	1.1%	107.2%	714.0%	
Carroll	61	2.2%	40.3%	372.4%	
Cecil	42	1.5%	31.3%	147.1%	
Charles	98	3.5%	2.8%	63.1%	
Dorchester	7	0.2%	-75.8%	60.6%	
Frederick	90	3.3%	-6.6%	117.0%	
Garrett	5	0.2%	246.7%	n/a	
Harford	96	3.5%	-11.1%	31.0%	
Howard	99	3.6%	43.4%	178.3%	
Kent	9	0.3%	-14.2%	n/a	
Montgomery	303	11.0%	12.4%	80.5%	
Prince George's	708	25.6%	19.2%	89.6%	
Queen Anne's	28	1.0%	10.5%	2161.1%	
Somerset	14	0.5%	59.1%	n/a	
St. Mary's	42	1.5%	14.5%	46.4%	
Talbot	19	0.7%	35.7%	375.0%	
Washington	79	2.9%	151.1%	479.0%	
Wicomico	82	3.0%	112.1%	n/a	
Worcester	46	1.7%	37.6%	1098.4%	
Maryland	2,768	100.0%	10.1%	73.8%	

n/a denotes division by zero Source: RealtyTrac

#### LENDER PURCHASES OF FORECLOSED PROPERTIES

The number of lender purchases grew by 36.0 percent in the first quarter to 1,474 properties (Chart 7). Lender purchases also grew by 34.6 percent over last year, recording the highest annual growth rate since the second quarter of 2010.

A total of 321 lender purchases occurred in Prince George's County, representing 21.8 percent of all lender purchases statewide, the largest share (Table 5). The number of lender purchases in the county increased by 17.6 percent over the previous quarter and was up 10.9 percent above last year. Baltimore City with 305 lender purchases (20.7 percent of the total) had the second highest concentration in Maryland. Lender purchases in the City increased by 54.7 percent above the previous quarter and were up 116.5 percent over a year ago. Baltimore County with 174 lender purchases (11.8 percent of the total) had the third highest concentration in Maryland. Lender purchases in that county increased by 45.4 percent over the last quarter and were up 40.7 percent above last year. Other jurisdictions that recorded higher lender purchases include Montgomery County (152 purchases or 10.3 percent), Anne Arundel County (73 purchases or 4.9 percent), Charles County (61 purchases or 4.2 percent), Frederick County (60 purchases or 4.0 percent) and Harford County (54 purchases or 3.7 percent). Together, these eight jurisdictions represented 81.4 percent of all lender purchases statewide.

CHART 7
LENDER PURCHASES OF FORECLOSED PROPERTIES IN MARYLAND

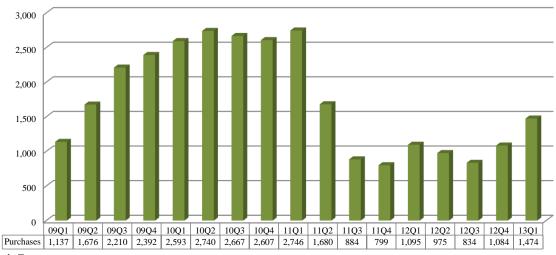


TABLE 5
LENDER PURCHASES OF FORECLOSED PROPERTIES
IN MARYLAND: FIRST QUARTER 2013

	2013 Q1		% Cha	% Change from		
Jurisdiction	Number	% of Total	2012 Q4	2012 Q1		
Allegany	17	1.1%	166.1%	107.9%		
Anne Arundel	73	4.9%	13.3%	2.0%		
Baltimore	174	11.8%	45.4%	40.7%		
Baltimore City	305	20.7%	54.7%	116.5%		
Calvert	22	1.5%	4.8%	28.2%		
Caroline	5	0.3%	-44.3%	-4.2%		
Carroll	26	1.8%	-0.8%	93.3%		
Cecil	12	0.8%	-42.9%	-91.9%		
Charles	61	4.2%	23.2%	41.9%		
Dorchester	11	0.8%	9.6%	24.0%		
Frederick	60	4.0%	43.3%	56.5%		
Garrett	1	0.1%	-21.7%	-72.6%		
Harford	54	3.7%	98.2%	45.6%		
Howard	29	2.0%	25.8%	23.8%		
Kent	6	0.4%	30.6%	67.6%		
Montgomery	152	10.3%	88.8%	214.6%		
Prince George's	321	21.8%	17.6%	10.9%		
Queen Anne's	11	0.7%	45.3%	47.7%		
Somerset	5	0.3%	-24.0%	8.0%		
St. Mary's	19	1.3%	35.8%	69.1%		
Talbot	12	0.8%	100.0%	200.0%		
Washington	40	2.7%	-11.5%	147.2%		
Wicomico	30	2.0%	87.9%	67.7%		
Worcester	29	2.0%	119.3%	249.0%		
Maryland	1,474	100.0%	36.0%	34.6%		

#### FORECLOSURE HOT SPOTS

A foreclosure *Hot Spot* is defined as a community that had more than ten foreclosure events in the current quarter and recorded a foreclosure concentration ratio of greater than 100. The concentration ratio, in turn, is measured by a foreclosure index. The index measures the extent to which a community's foreclosure rate exceeds or falls short of the State average foreclosure rate. An index of 100 represents the weighted average foreclosure rate of 160.0 homeowner households per foreclosure in the first quarter of 2013. For example, the Franklin community of Baltimore City (zip code 21223) recorded a total of 98 foreclosure events in the first quarter, resulting in a foreclosure rate of 45 homeowner households per foreclosure and a corresponding foreclosure index of 356. As a result, the foreclosure concentration in Franklin is 256 percent above the state average index of 100. Overall, a total of 5,554 foreclosure events, accounting for 59.5 percent of all foreclosures in the first quarter, occurred in 102 *Hot Spots* communities across Maryland (Tables 5 and 6). These communities recorded an average foreclosure rate of 100 homeowner households per foreclosure and an average foreclosure index of 160. The *Hot Spots* communities are further grouped into three broad categories: "high," "very high," and "severe."

The "high" foreclosure communities posted foreclosure indices that fall between 100 and 200. Maryland jurisdictions with a "high" foreclosure problem recorded a total of 3,909 foreclosures in 81 communities, accounting for 70.4 percent of foreclosures in all *Hot Spots* and 41.9 percent of all foreclosures statewide (Charts 8 and 9). These jurisdictions recorded an average foreclosure rate of 117 and an average foreclosure index of 137.

The "very high" group includes jurisdictions that posted foreclosure indices of between 200 and 300. Jurisdictions with a "very high" foreclosure problem recorded 1,210 events in 16 communities, representing 21.8 percent of foreclosures across all *Hot Spots* and 13.0 percent of foreclosures statewide. These communities had an average foreclosure rate of 65 and an average foreclosure index of 245.

The "severe" group represents communities in which the foreclosure indices exceeded 300. Maryland jurisdictions with a "severe" foreclosure problem reported a total of 434 foreclosures in five communities, accounting for 7.8 percent of all foreclosures in *Hot Spots* communities and 4.6 percent of foreclosures statewide. These jurisdictions recorded an average foreclosure rate of 48 and an average foreclosure index of 335.

CHART 8
FORECLOSURE HOT SPOTS IN MARYLAND, FIRST QUARTER 2013

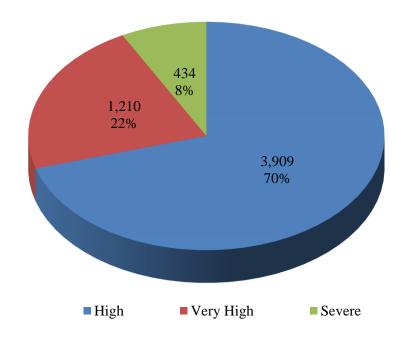


CHART 9
FORECLOSURES AND FORECLOSURE INDEX
IN MARYLAND'S HOT SPOTS COMMUNITIES, FIRST QUARTER 2013

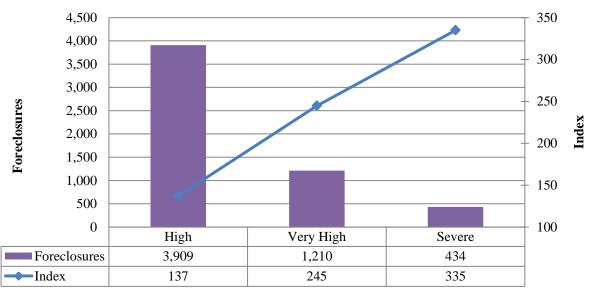


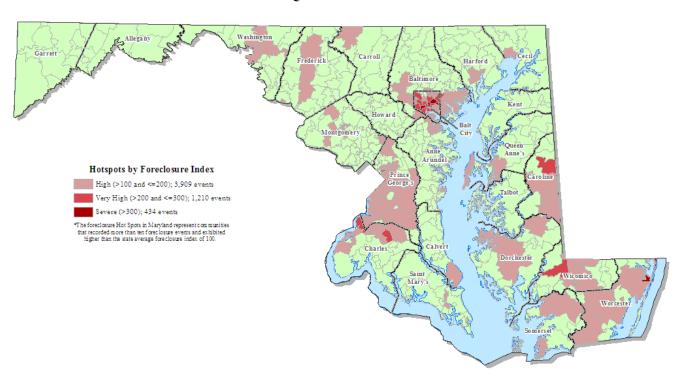
TABLE 5
CHARACTERISTICS OF FORECLOSURE HOT SPOTS IN MARYLAND
FIRST QUARTER 2013

Category	High	Very High	Severe	All Hot Spots Communities
Number of Communities	81	16	5	102
% of Hot Spots Communities	79.4%	15.7%	4.9%	100.0%
% of All Communities	15.6%	3.1%	1.0%	19.7%
Foreclosures	3,909	1,210	434	5,554
% of Hot Spots Communities	70.4%	21.8%	7.8%	100.0%
% of All Communities	41.9%	13.0%	4.6%	59.5%
Average Foreclosure Rate	117	65	48	100
Average Foreclosure Index	137	245	335	160
Number of Households	456,461	79,191	20,752	556,403
% of <i>Hot Spots</i> Communities	82.0%	14.2%	3.7%	100.0%
% of All Communities	30.5%	5.3%	1.4%	37.2%

TABLE 6
FORECLOSURE HOT SPOTS IN MARYLAND
FIRST QUARTER 2013

	Number of	Forec	losures			Number of		
Jurisdiction	Zip Codes	Events	Percent	Rate	Index	Households		
	Severe Foreclosures							
Baltimore City	4	355	81.8%	47	341	16,648		
Worcester	1	79	18.2%	52	308	4,104		
Maryland	5	434	100.0%	48	335	20,752		
	V	ery High F	Foreclosure	S				
Baltimore	2	86	7.1%	62	256	5,391		
Baltimore City	9	941	77.7%	67	239	62,919		
Caroline	1	18	1.5%	72	224	1,288		
Charles	2	139	11.5%	55	291	7,647		
Prince George's	1	12	1.0%	69	231	830		
Wicomico	1	14	1.2%	80	201	1,116		
Maryland	16	1,210	100.0%	65	245	79,191		
		High For	eclosures					
Anne Arundel	4	126	3.2%	114	141	14,366		
Baltimore	12	817	20.9%	116	138	94,620		
Baltimore City	8	373	9.6%	100	161	37,228		
Calvert	1	60	1.5%	100	160	6,006		
Caroline	2	34	0.9%	124	129	4,176		
Carroll	1	21	0.5%	125	128	2,632		
Cecil	1	12	0.3%	158	101	1,893		
Charles	4	187	4.8%	97	165	18,046		
Dorchester	2	45	1.2%	143	112	6,438		
Frederick	4	165	4.2%	136	118	22,398		
Harford	3	128	3.3%	130	123	16,595		
Montgomery	5	294	7.5%	120	134	35,212		
Prince George's	20	1136	29.1%	123	130	139,781		
Queen Anne's	2	47	1.2%	117	136	5,519		
Somerset	2	33	0.8%	109	147	3,600		
St. Mary's	1	11	0.3%	134	120	1,469		
Washington	2	183	4.7%	90	177	16,542		
Wicomico	4	148	3.8%	127	126	18,801		
Worcester	3	89	2.3%	125	128	11,139		
Maryland	81	3,909	100.0%	117	137	456,461		

MAP 2
DISTRIBUTION OF FORECLOSURE HOT SPOTS IN MARYLAND
FIRST QUARTER 2013



Source: RealtyTrac and DHCD Office of Research

#### SEVERE FORECLOSURE HOT SPOTS

The "severe" group represents communities in which the foreclosure indices exceeded 300. Maryland jurisdictions with a "severe" foreclosure problem reported a total of 434 foreclosures in five communities, accounting for 7.8 percent of all foreclosures in *Hot Spots* communities and 4.6 percent of foreclosures statewide. These jurisdictions recorded an average foreclosure rate of 48 and an average foreclosure index of 335.

Property foreclosures in "severe" foreclosure *Hot Spots* were concentrated in Baltimore City and Worcester County (Table 7). Baltimore City with 355 foreclosures accounting for 81.8 percent of all foreclosures in this group recorded the highest number of properties in the "severe" foreclosure category. The impacted communities in the City posted a weighted average foreclosure rate of one foreclosure per 47 homeowner households and an average foreclosure index of 341 while Worcester County with 79 foreclosures represented the remaining 18.2 percent of foreclosures in this category with a foreclosure rate of 52 and an average index of 308.

Communities with the highest foreclosure incidence include Clifton, Franklin, Clifton East End in Baltimore City and Ocean City in Worcester County (Chart 10 and Table 8). The hardest hit community in Maryland during the first quarter of 2013 was the 21202 zip code community in Baltimore City. This community recorded a total of 40 foreclosures, resulting in a foreclosure rate of 37 homeowner households per foreclosure and a corresponding foreclosure index of 437. As a result, the foreclosure concentration in this community was 336 percent above the state average.

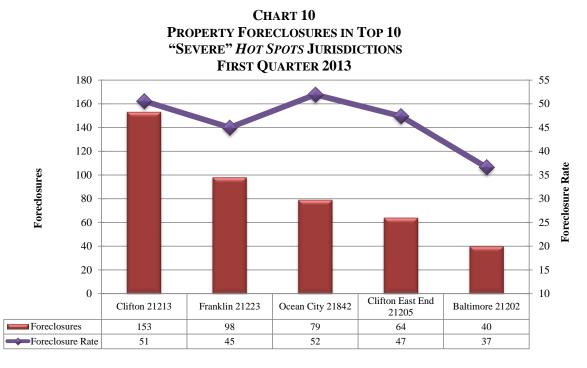


TABLE 7
SEVERE FORECLOSURE HOT SPOTS
FIRST QUARTER 2013

Foreclosure l		re Events	Average	Average	
		% of	Foreclosure	Foreclosure	Homeowner
Jurisdiction	Number	Total	Rate	Index	Households
Baltimore City	355	81.8%	47	341	16,648
Worcester	79	18.2%	52	308	4,104
Maryland	434	100.0%	48	335	20,752

TABLE 8
SEVERE FORECLOSURE HOT SPOTS IN MARYLAND
FIRST QUARTER 2013

Jurisdiction	Zip Code	P.O. Name	Foreclosures	Rate	Index
Baltimore City	21202	Baltimore	40	37	437
Baltimore City	21223	Franklin	98	45	356
Baltimore City	21205	Clifton East End	64	47	338
Baltimore City	21213	Clifton	153	51	317
Worcester	21842	Ocean City	79	52	308
All Communities			434	48	335

#### **VERY HIGH FORECLOSURE HOT SPOTS**

The "very high" group includes jurisdictions that posted foreclosure indices of between 200 and 300. Jurisdictions with a "very high" foreclosure problem recorded 1,210 events in 16 communities, representing 21.8 percent of foreclosures across all *Hot Spots* and 13.0 percent of foreclosures statewide. These communities had an average foreclosure rate of 65 and an average foreclosure index of 245.

Property foreclosures in "very high" foreclosure *Hot Spots* were highly concentrated in Baltimore, Caroline, Charles, Prince George's and Wicomico counties as well as Baltimore City (Table 9). Baltimore City with 941 foreclosures represented 77.7 percent of all foreclosures in the "very high" foreclosure category. The impacted communities in the City posted a weighted average foreclosure rate of one foreclosure per 67 homeowner households and an average foreclosure index of 239.

The top ten communities with the highest foreclosure incidence include Arlington, Raspeburg, Carroll, Walbrook, Waverly, Morrell Park and Druid in Baltimore City; Waldorf in Charles County and Hebron in Wicomico County (Chart 11 and Table 10).

CHART 11
PROPERTY FORECLOSURES IN TOP 10
"VERY HIGH" HOT SPOTS JURISDICTIONS
FIRST QUARTER 2013

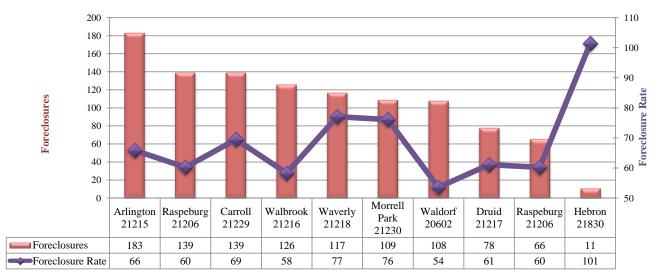


TABLE 9
VERY HIGH FORECLOSURE HOT SPOTS
FIRST QUARTER 2013

	Foreclosure Events		Average	Average	
T 1 11 /	NT N	% of	Foreclosure	Foreclosure	Homeowner
Jurisdiction	Number	Total	Rate	Index	Households
Baltimore	86	7.1%	62	256	5,391
Baltimore City	941	77.7%	67	239	62,919
Caroline	18	1.5%	72	224	1,288
Charles	139	11.5%	55	291	7,647
Prince George's	12	1.0%	69	231	830
Wicomico	14	1.2%	80	201	1,116
Maryland	1,210	100.0%	65	245	79,191

TABLE 10 VERY HIGH FORECLOSURE HOT SPOTS IN MARYLAND FIRST QUARTER 2013

Jurisdiction	Zip Code	P.O. Name	Foreclosures	Rate	Index
Baltimore	21206	Raspeburg	66	60	266
Baltimore	21229	Carroll	21	69	230
Baltimore City	21201	Baltimore	15	55	292
Baltimore City	21216	Walbrook	126	58	275
Baltimore City	21206	Raspeburg	139	60	266
Baltimore City	21217	Druid	78	61	262
Baltimore City	21215	Arlington	183	66	243
Baltimore City	21229	Carroll	139	69	230
Baltimore City	21231	Patterson	34	74	216
Baltimore City	21230	Morrell Park	109	76	210
Baltimore City	21218	Waverly	117	77	208
Caroline	21639	Greensboro	18	72	224
Charles	20602	Waldorf	108	54	299
Charles	20616	Bryans Road	31	60	267
Prince George's	20710	Bladensburg	12	69	231
Wicomico	21830	Hebron	14	80	201
All Communities			1,210	65	245

#### **HIGH FORECLOSURE HOT SPOTS**

The "high" foreclosure communities posted foreclosure indices that fall between 100 and 200. Maryland jurisdictions with a "high" foreclosure problem recorded a total of 3,909 foreclosures in 81 communities, accounting for 70.4 percent of foreclosures in all *Hot Spots* and 41.9 percent of all foreclosures statewide (Table 11). These jurisdictions recorded an average foreclosure rate of 117 and an average foreclosure index of 137.

Property foreclosures in "high" foreclosure *Hot Spots* were concentrated in 19 jurisdictions including Anne Arundel, Baltimore, Calvert, Caroline, Carroll, Cecil, Charles, Dorchester, Frederick, Harford, Montgomery, Prince George's, Queen Anne's, Somerset, St. Mary's, Washington, Wicomico and Worcester counties as well as Baltimore City. Prince George's County communities with 1,136 foreclosures, or 29.1 percent of all foreclosure events, represented the largest concentration of properties in this category. The County's communities recorded an average foreclosure rate of 123 homeowner households per foreclosure and an average foreclosure index of 130.

The top ten communities with the highest foreclosure incidence in this group include Clinton, Fort Washington, Upper Marlboro and Capitol Heights in Prince George's County; Hagerstown in Washington County; Dundalk, Owings Mills in Baltimore County; Darnestown in Montgomery County and Highlandtown in Baltimore City (Chart 12 and Table 12).

CHART 12
PROPERTY FORECLOSURES IN TOP 10
"HIGH" HOT SPOTS JURISDICTIONS
FIRST QUARTER 2013

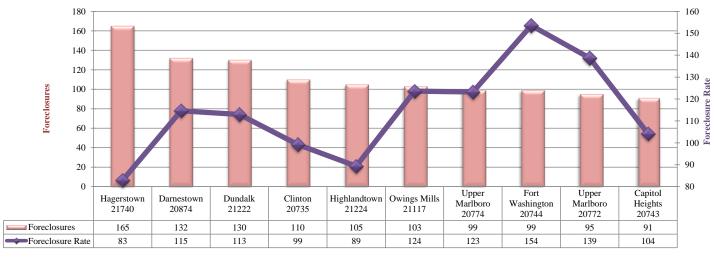


TABLE 11 HIGH FORECLOSURE HOT SPOTS FIRST QUARTER 2013

	<b>Foreclosure Events</b>		Average	Average	
Jurisdiction	Number	% of Total	Foreclosure Rate	Foreclosure Index	Homeowner Households
Anne Arundel	126	3.2%	114	141	14,366
Baltimore	817	20.9%	116	138	94,620
Baltimore City	373	9.6%	100	161	37,228
Calvert	60	1.5%	100	160	6,006
Caroline	34	0.9%	124	129	4,176
Carroll	21	0.5%	125	128	2,632
Cecil	12	0.3%	158	101	1,893
Charles	187	4.8%	97	165	18,046
Dorchester	45	1.2%	143	112	6,438
Frederick	165	4.2%	136	118	22,398
Harford	128	3.3%	130	123	16,595
Montgomery	294	7.5%	120	134	35,212
Prince George's	1136	29.1%	123	130	139,781
Queen Anne's	47	1.2%	117	136	5,519
Somerset	33	0.8%	109	147	3,600
St. Mary's	11	0.3%	134	120	1,469
Washington	183	4.7%	90	177	16,542
Wicomico	148	3.8%	127	126	18,801
Worcester	89	2.3%	125	128	11,139
Maryland	3,909	100.0%	117	137	456,461

#### TABLE 12 HIGH FORECLOSURE HOT SPOTS IN MARYLAND FIRST QUARTER 2013

Jurisdiction	Zip Code	P.O. Name	Foreclosures	Rate	Index
Anne Arundel	21225	Brooklyn	50	83	192
Anne Arundel	21226	Curtis Bay	10	87	184
Anne Arundel	20764	Shady Side	15	93	172
Anne Arundel	21060	Glen Burnie	51	155	103
Baltimore	21224	Highlandtown	38	89	179
Baltimore	21133	Randallstown	83	91	176
Baltimore	21244	Windsor Mill	74	93	172
Baltimore	21207	Gwynn Oak	89	94	170
Baltimore	21239	Northwood	19	99	162
Baltimore	21222	Dundalk	130	113	142
Baltimore	21227	Halethorpe	69	120	134
Baltimore	21117	Owings Mills	103	124	130
Baltimore	21221	Essex	75	133	120
Baltimore	21212	Govans	26	149	107
Baltimore	21237	Rosedale	46	152	106
Baltimore	21220	Middle River	64	154	104
Baltimore City	21214	Hamilton	72	82	195
Baltimore City	21225	Brooklyn	30	83	192
Baltimore City	21226	Curtis Bay	12	87	184
Baltimore City	21224	Highlandtown	105	89	179
Baltimore City	21207	Gwynn Oak	35	94	170
Baltimore City	21239	Northwood	53	99	162
Baltimore City	21211	Hampden	31	146	110
Baltimore City	21212	Govans	36	149	107
Calvert	20657	Lusby	60	100	160
Caroline	21632	Federalsburg	13	114	140
Caroline	21629	Denton	21	131	123
Carroll	21787	Taneytown	21	125	128
Cecil	21903	Perryville	12	158	101
Charles	20601	Waldorf	70	86	186
Charles	20603	Waldorf	73	89	179
Charles	20640	Indian Head	26	106	152
Charles	20695	White Plains	18	155	103
Dorchester	21613	Cambridge	34	139	115
Dorchester	21643	Hurlock	11	156	102
Frederick	21716	Brunswick	15	93	171
Frederick	21703	Frederick	67	123	130
Frederick	21702	Frederick	61	154	104
Frederick	21788	Thurmont	22	155	104
Harford	21040	Edgewood	61	103	155
Harford	21009	Abingdon	56	154	104

TABLE 12 HIGH FORECLOSURE HOT SPOTS IN MARYLAND FIRST QUARTER 2013

Jurisdiction	Zip Code	P.O. Name	Foreclosures	Rate	Index
Harford	21017	Belcamp	11	154	104
Montgomery	20874	Darnestown	132	115	140
Montgomery	20866	Burtonsville	29	116	138
Montgomery	20886	Montgomery Village	70	116	138
Montgomery	20871	Clarksburg	24	118	135
Montgomery	20877	Montgomery Village	39	147	109
Prince George's	20712	Mount Rainier	12	84	191
Prince George's	20735	Clinton	110	99	161
Prince George's	20705	Beltsville	49	101	158
Prince George's	20747	District Heights	77	103	155
Prince George's	20745	Oxon Hill	47	104	154
Prince George's	20743	Capitol Heights	91	104	154
Prince George's	20785	Cheverly	66	106	151
Prince George's	20748	Temple Hills	77	116	138
Prince George's	20774	Upper Marlboro	99	123	130
Prince George's	20784	Cheverly	43	128	125
Prince George's	20737	Riverdale	24	131	122
Prince George's	20607	Accokeek	21	134	119
Prince George's	20716	Mitchellville	44	137	117
Prince George's	20772	Upper Marlboro	95	139	115
Prince George's	20706	Lanham	67	139	115
Prince George's	20613	Brandywine	23	139	115
Prince George's	20707	Laurel	46	151	106
Prince George's	20744	Fort Washington	99	154	104
Prince George's	20781	Hyattsville	15	154	104
Prince George's	20746	Suitland	31	154	104
Queen Anne's	21658	Queenstown	11	114	141
Queen Anne's	21666	Stevensville	36	119	135
Somerset	21817	Crisfield	19	83	194
Somerset	21853	Princess Anne	14	145	110
St. Mary's	20634	Great Mills	11	134	120
Washington	21740	Hagerstown	165	83	193
Washington	21795	Williamsport	18	159	101
Wicomico	21826	Fruitland	12	97	165
Wicomico	21875	Delmar	16	109	147
Wicomico	21801	Salisbury	52	133	120
Wicomico	21804	Salisbury	68	133	120
Worcester	21851	Pocomoke City	15	106	150.9
Worcester	21811	Berlin	63	127	126.1
	All Commun	nities	3,909	117	137